

TOWN OF NEWINGTON

131 CEDAR STREET
NEWINGTON, CONNECTICUT 06111

MAYOR JEFF WRIGHT

MINUTES

CHARTER REVISION COMMISSION - PUBLIC HEARING

December 15, 2008 6:30PM

CALL TO ORDER

Commissioner Bafundo called the meeting to order at 6:30 PM in the Helen Nelson Room of the Newington Town Hall. The Pledge of Allegiance was recited.

Commissioner Bafundo read the legal notice as follows:

This is to give notice that the Charter Revision Commission for the Town of Newington will hold two Public Hearings on December 15, 2008, in accordance with Connecticut General Statutes Section 7-191 (a), regarding its draft report to the Newington Town Council that has been completed but not submitted.

- 1) A Public Hearing is scheduled for 2:00pm in the Auditorium of the Newington Senior and Disabled Center, 120 Cedar Street, Newington, CT.
- 2) A Public Hearing is scheduled for 6:30m in the Helen Nelson Room at Town Hall, 131 Cedar Street, Newington, CT.

Copies of the draft report are available in the Town Clerk's office, and online at www.newingtonct.gov.

Dated at Newington CT this 3rd day if December 2008. Nancy Bafundo, Chairman Charter Revision Commission

Commissioner Bafundo asked the Commissioners and staff to introduce themselves:

Commissioners
Nancy Bafundo – Chair
Tony Boni
Peter Boorman
Robert Briggaman
Alan Nafis

Staff

Tanya Lane – Town Clerk
Jaime Trevethan – Commission Clerk

PUBLIC COMMENT

Claude Paquette, 38 Cobblestone Court: Mr. Paquette thanked the Commissioners for their time and effort. He spoke in favor of the three-percent tax cap and noted the tough economic times. He stated that most people would be pleased with a three-percent increase in their personal pay and family budgets this year. Mr. Paquette indicated that there will always be people that are never in favor of any tax increase, which is not reasonable but there are also people on the other extreme who have never met a tax increase they didn't like. He stated that reasonable people looking at the tough economic times and their own personal budgets should

feel that a three-percent tax cap in the Town's budget is a reasonable thing. He stated that the people voted to elect new Councilors at the last election, and these new Councilors ran on the platform of a three-percent cap. He remarked that the Town voted these people in and we should let them do their work. Mr. Paquette noted that there have been arguments that having a three-percent cap will undermine elected representatives and remarked that this will not do so - rather it will provide direction. He stated the he hopes that the Council members will be able to operate within the three-percent cap, thereby avoiding a budget referendum altogether, and stated that he views a referendum as something that is an extraordinary situation. He disagreed with statements that the referendum will cause special-interest groups to control the budget and stated that reasonable people will vote for a higher tax increase if the case can be made. Mr. Paquette stated that it is a noble concept for elected officials to want to provide as many services as possible, but stated that bailouts are occurring on a federal level he remarked that the Town cannot bail everyone out. He stated that all services come at a price, and commented that he would like to see people help each other and would like to see people volunteer and get involved with civic organizations and volunteer on committees. He stated that he would like to see the Townspeople come together to fill the gaps.

Tom Ganley, 223 Goodale Drive: Mr. Ganley stated that he is a registered Republican and stated that he hopes that the remaining speakers provide full disclosure as well. He spoke in favor of the tax cap and budget referendum. He agreed with Mr. Paquette's statements regarding special interest groups and added that there are special interest groups on both sides of the aisle. He stated that some people would like the public to believe that those who are in favor of the budget referendum are clever, deceitful, etc. and those who are against have the best interest of the community in heart and he stated that this is simply not the case. Mr. Ganley stated that the automatic triggering device of the referendum will prevent a small, insidious group from hijacking the process. He noted two occasions that have caused him distress: one in which a person who he has great respect for had told him that they will drop out of politics if this initiative is passed. The second was during a Strategic Planning Committee meeting in which two issues were raised about the Town's financial burden in the upcoming year: The State's troubling fiscal situation and the Town's proposed referendum. He indicated that the opinions were to fear the State's fiscal situation and fear the referendum and he remarked that there ought not to be fear involved in this process. Mr. Ganley stated that this is an opportunity for the regular public to have a say in their taxes. He urged the citizens "Carpe Diem" – seize the day, and to take the opportunity to determine how deeply they can afford to dig into their wallets.

Mark Pappa, 105 Back Lane: Mr. Pappa stated that he is a registered Republican. He indicated that he supports the three-percent tax cap and budget referendum and stated that it is time to return some of the political power back to the voter. He noted that in the years 2000 - 2007 the taxpayers experienced a 60% increase in property taxes, and indicated that it is unacceptable to see annual property taxes in the \$6000-\$7000 range in Town. He gave credit to the Council for keeping the current budget at under a three-percent increase while still maintaining services. Mr. Pappa stated that the tax cap and referendum serves as a compromise between the voters and the public and will provide for checks and balances. He stated that the goal is for the Council to work out a fiscally responsible budget to send to the people and to find new cost controls and new innovations to keep costs down. He noted that while there are other communities that have experienced layoffs he does not know of a single layoff in Town. He stated that the Town will be ahead of the curve with cost control and cost containment by utilizing the tax cap. Mr. Pappa noted that on a national level there have been approximately 1.6 trillion dollars in mortgage defaults to this point with another 1.6 trillion dollars expected and inquired who would want to see taxes rise more than three-percent during these times. He remarked that three-percent is the average historical rate of inflation since 1925 and is a real, livable number. He indicated that in the year 2008 alone, home values have dropped by two-trillion dollars, the stock market has lost 7.5 trillion dollars and 11.7 million homeowners owe more on their mortgages than their homes are worth. He indicated that nineteen big companies have filed for Chapter 11 and stated that there may be some businesses in Town that are teetering on bankruptcy. He stated that the three-percent tax cap is fair and equitable and will provide the voters with the opportunity to decide what is best. He stated that the Republicans wish to return some of the power to people and are unselfishly proposing to take power away from themselves and to give it to the voters. He urged the people of the Town to carefully consider the facts and to read and understand the Charter. He urged the people to support the tax cap and referendum.

Charles Francolino, 1781 Main Street. Mr. Francolino stated that he is a registered Republican and in favor of the proposed Charter revisions to the budget process. He stated however, that he does have some questions and problems with some of the language as written in section 821 (J) – education circuit breaker. He stated that the objective should actually be to limit what is being spent, and stated that the language in that section

should read that "the Board of Education proposed expenditures <u>may</u> exceed an increase in non-Board of Education proposed expenditures by .5 percent." and further, "if the non-Board of Education budget increases by two percent the Board of Education budget <u>may</u> increase by <u>not more than</u> 2.5%." He stated that there must be a limit, and the extra amount should be limited to .5%.

Lee Blum, 117 Jeffery Lane: Mr. Blum stated that he is a registered Democrat. He remarked that the majority of the Commission has been very short-sighted as well as politically motivated in its unbending pursuit of this three-percent tax cap. He noted that the members have been unwilling to develop proposals of their own but have accepted whatever Mayor Wright has put in front of them, no matter how twisted, unworkable, convoluted, or contrary to the Town's best interest. He remarked that if the Mayor had proposed that the name of the Town be changed to "Wrightsville" then there is no doubt that the change would have been put into the Charter. Mr. Blum stated that as a small-business owner he is fully aware of the current tough economic times and reminded the Commission that a Charter does not just serve the Town for a year or two, it is in place through good times and bad. He stated that the discussion is not about a tax cap for the next year or two; rather it is a discussion about a tax cap for the next fifteen years and remarked that if the proposed tax cap is put into place the Town's income will eventually fall behind its expenses. He noted the Mayor's comments that the three-percent number is being used because it is the average rate of inflation since 1928 but Mr. Blum stated that what the Mayor failed to mention is that inflation was essentially non-existent for many of these years, and noted that there were years when deflation occurred and he also noted that there were years in which the inflation rate was much higher than three-percent. He remarked that a three-percent average means nothing. He indicated that the if the Town's income falls behind its expenses then the people will lose services and will experience cutbacks in the Library, Parks and Recs, Senior Center programs, etc. because the majority of people will vote to save money. Mr. Blum stated that the average property owner in the Town pays between \$4000 - \$4500 in property taxes and indicated that the difference between a three-percent increase and a four-percent increase in that range is about \$40.00 and he remarked that we should not be willing to slowly choke Newington to death over \$40.00. Mr. Blum stated that electors don't vote on a town budget for the same reason that electors don't vote on the federal budget – because we vote for people to represent our interests, and when the elected officials no longer represent those interests the people vote them out. He stated that this system of representative democracy has made the US government the most successful in the world for 230 years, and he remarked that he would like to keep it that way.

Terry Sullivan, 188 Forest Drive: Mr. Sullivan stated that he has been a Town resident for over 25 years and stated that his two children were educated by the Newington school system. He stated that while he is affiliated with a political party he chooses not to divulge which party, since he believes that this should not be about partisan politics. Mr. Sullivan stated that the Town does not need a mandatory referendum on the budget. He stated that he invests time and research to vote for representatives of the Town, and it is those representatives' duties to study the budget and to represent the electors. He stated that he doesn't have the time, tools or resources to study the budget and make an informed vote. He spoke against the budget referendum and stated that the Town needs good, dedicated Councilors and public servants that are ultimately qualified to craft and approve a budget for this Town. He stated that he loves the quality of life that he has in Newington and stated concern that the quality of life in Town will suffer if there is a budget referendum in place.

Kenneth Brookes, 142 Edward Street: Mr. Brookes chose not to divulge his political affiliation and stated that he is opposed to the budget referendum and tax cap. He stated that while the economy this year should probably dictate a maximum increase of three-percent in this year's budget and perhaps next year's budget as well, this will not be the case for every year. He stated that even without the referendum and tax cap there is nothing to prevent the Council from having a three-percent budget or lower, or even having a budget decrease from the previous year. He inquired as to what would happen during years when there is a rate of inflation that is higher than three-percent and stated that a tax cap in those years would cause significant damage to the Town's programs. He stated that while it has been claimed that there is a mandate for the three-percent tax cap based on the results of the last election, he feels that in reality people don't really understand what is going on. He remarked that people had asked him what the "3" on the Republicans' campaign posters meant and remarked that it took him a while to find out himself. He stated that he does not agree that the election has resulted in a mandate for a three-percent tax cap. Mr. Brookes expressed concern over what the flavor of the Town Charter will become if it includes the proposed tax cap/referendum and stated that the weight of the Charter revision is in section 821, and makes it look like the force of the Charter is limiting taxes. He stated that the Town needs a Charter, Council and Board of Education that serve the needs of the community. Mr.

Brookes noted that the notice of referendum will be a "blind" notice that does not contain a justification of the budget increase.

Steve Woods, 94 New Britain Avenue, Board of Education Member: Mr. Woods stated that he is not in favor of the budget referendum. He noted that the Commission has stated that it is trying to engage the public in the process, yet the language in section 821 does not call for a notice to be sent to the public until ten days prior to the referendum, and if the referendum fails the Council has only seven days to amend the budget and send it back to the voters, and if it fails again the budget will be capped at three-percent. He commented that he is having a hard time seeing how this engages the public in the process. He inquired why the cap is set at three-percent, and stated that if people are going to have a say, why not give them a say all of the time. Mr. Woods stated that he does not believe that this is the correct direction for the Town, and stated that this initiative would be a step backwards. He noted times when there were no budget increases in the Board's budget and at that time many people expressed concerns that services were decaying in Town. Mr. Woods stated that this language ties the hands of the Council and does not provide enough time to get any clear message out to the public. He remarked that while the Commission has done good work in amending other sections of the Charter he does not believe that section 821 is going to serve the Town in the way it is intended.

Don Woods, 82 Ivy Lane: Mr. Woods stated that the Commission has done a great job in addressing many of the changes made to the Charter but stated that he is in opposition of the three-percent cap and referendum. He remarked that voters have been successful in voting in or voting out elected officials, and to spend \$20,000 - \$30,000 just prove that point seems unnecessary. He stated that he had asked about the actual historical tax increase in the Town and has learned that it is already in the three-percent range. He stated that the current system works and he doesn't see the need to change it. Mr. Woods stated that elected officials do a fine job and urged the Townspeople to let these officials do their work.

Mike Fox, 1901 Main Street: Mr. Fox indicated that a friend, Lousie Rickard of108 Little Brook Drive, has asked him to read a letter into the record. Prior to reading the letter, he thanked the members of the Commission and the staff for all of their hard work. (letter attached)

Rose Lyons, 46 Elton Drive: Ms. Lyons stated that she is a registered Democrat. She indicated that she has not received an answer as to how she will have any say other than yes or no about the budget. She stated that no one has given her an answer of whether she will be able to go over the budget and approve the items line by line. She noted that the Town Manager was recently given a pay increase of about three-percent retroactive to July and stated that she did not have any say in that decision, nor did she have a say in the \$1 million grant for downtown revitalization or the \$500,000 grant for artificial turf, etc. She inquired where the funds came from to pay for the attorney's fees in the recent retired police officers' lawsuit regarding health benefits, and stated that she can't even get an answer from a Police Dispatcher regarding whom to call about the dangerous situation at the intersection of Cedar and Willard. She noted comments that the Charter can be reopened for changes if the referendum doesn't work and remarked that the State votes to have its Constitutional Convention only every twenty years. Ms. Lyons requested that there be two questions on the ballot for the new Charter, one for the budget referendum and one for the remainder of the Charter. She noted that the draft report has already been completed and will be reviewed by the Town Council at its meeting the following day, and inquired as to what's the sense of having these meetings it the Commission's mind is already made up.

Sandy Lallier, 27 Elton Drive: Mrs. Lallier requested that the Commission submit the draft charter without including the mandatory budget referendum. She stated that she is not in favor of a mandatory referendum for reasons she has already stated in the past. She remarked that the Republican's three-percent promise during the elections did not make it clear that the changes would have to be made in the Town's Charter in order to take affect. She expressed concern that the tax-cap and referendum will limit the Council's ability to create a good budget in the future. She stated that people need to get involved, need to ask questions, and need to attend meetings. She urged the Commission not to rush its work, and urged the Mayor to attempt to keep his three-percent promise without changing the Charter. Mrs. Lallier noted a change in the Charter that will allow Council members to serve as voting members on a committee and noted that the previous Safety Committee was disbanded because the Mayor was concerned about there being a conflict of interest with having Council members to serve on the Committee. She again urged the Commission to carefully consider what it is doing and to act responsibly. She stated that to think that the Charter can just be reopened in a year or two if these changes don't work out is just ridiculous.

Mark Finkelstein. 272 Candlewyck Drive, Board of Education member: Dr. Finkelstein thanked the Commission for its effort during this arduous process. He stated that the budget referendum has drawn both the interest and ire of all involved. He requested that there be a separate question regarding the budget referendum on the ballot to approve the Charter revision. Dr. Finkelstein asked the members of the Commission to have an open mind to peoples' opinions. He stated that while he would like to pay less in taxes given the choice, there is more to the story than just taxes. He remarked that the average person does not have enough information to have the opportunity to make a decision on the budget. He displayed the Board of Education's budget book from last year and indicated that there is no way that the average citizen would have the time, interest or opportunity to read through and digest this information. He stated that the elected officials are charged with doing so and have the expertise and the tools to do so. Dr. Finkelstein inquired how the average citizen will obtain the needed information to make a decision on the budget while all of the local newspapers are in danger of closing or do not provide the needed information. He stated hat the Town has a representative democracy, and it is the elected officials' duty to do a good job on the budget. He stated that if elected officials do not do a good job they should be voted out at the next election. He stated that to ask the public to vote for lower taxes is obvious but to ask the public to understand this kind of information is virtually impossible. He requested that the Commission reconsider the idea of budget referendum.

Dennis Machol, 195 Camp Avenue: Mr. Machol stated that he is a registered Democrat and a union Democrat who has been involved with labor for over 40 years. He stated that as a union member he is always interested in getting to the core of what people represent. He stated that with all union activities votes are decided by union members. He stated that with the proposed budget referendum the public's hands are tied, since a budget is automatically accepted if it comes in at under three-percent. He stated that if there is to be a true budget referendum then the public would vote on any proposed budget. Mr. Machol stated that he is concerned that a tax cap would hurt services in Town over the years, and stated that this is not true budget reform.

Scott McBride, 211 Beacon Street: Mr. McBride thanked the Commission for its efforts. He spoke against the budget referendum. He noted that he does not see the overwhelming public support for a budget referendum that the Mayor has stated exists. He noted that there have been numerous Public Hearings and opportunities for public participation and observed that he has not seen overwhelming support for the referendum, and remarked that he has actually seen the opposite. Mr. McBride stated that this "phantom" group of supporters is not very overwhelming at all, in fact it is a very small group of very politically active people, and when it comes down to a special election to vote on a budget and voter turnout is low then a small group of people will be able to control the budget with a special interest in mind. He remarked that the average citizen either does not have the time to commit to this topic or doesn't feel interested enough to speak about it, and he feels that the same will be true of a budget referendum.

Joe Trombetta, 29 Cornish Drive: Mr. Trombetta read a statement from Nancy L. Block, who stated: "I am in favor of the Town of Newington having a budget referendum. Please adjust the Charter. Thank You." Mr. Trombetta commended the Council for keeping the most recent budget under three-percent, thus showing fiscal responsibility. He stated that he is in favor of the referendum because it keeps fiscal responsibility and allows for a capped increase and allows the Town government to work within the cap. He state that it is a fair compromise and prevents spending from getting out of control and lessens the burden of the taxpayers.

Sue Mazzoccoli, 149 Harris Drive: Ms. Mazzoccoli urged the Commission not to force the public to vote yes or no to the all of the changes as one question. She stated that she has to curb her expenses in her personal budget and has to curb expenses and payroll in her work budget. She stated concern that with a three-percent cap there will be the chance of layoffs, noting that there have been talks of layoffs at the State level as well. She remarked that layoffs affect a neighborhood because without an income people cannot afford to pay their taxes or mortgage and may end up in foreclosure, which will affect the property values in the neighborhood. She stated that she would prefer to pay a slight increase in taxes instead. She stated that while she does not want to see taxes increase by six or seven percent she also has seen how the schools were affected by increases that were too low. Ms. Mazzoccoli noted that the Town is going to lose at least some of its newspaper coverage and expressed concerns about how voters will be educated about the budgets without these newspapers. She stated that notices to the public should include exactly what the public might lose due to a budget as well as how much the taxes will increase. She stated that people will see an increase in fees and a decrease in services if there is a cap in taxes. She thanked the Commission for its hard work.

Sharon Braverman, 39 Churchill Way – Board of Education member. Mrs. Braverman stated that she is a proud Democrat. She respectfully requested that the budget referendum be separated from the Charter revision. She stated that the timing of the budget referendum will create an inflexibility that will hurt the Town in the long run. She noted that State grants for education will be cut and will therefore leave the Town with less money and with the budget referendum in place the Town will not be able to be as responsive to these changes. Mrs. Braverman stated that wants to keep the Town as great as it was when she moved here in 1975, and urged the Commission to be open minded about the public's opinion.

Tom Shields, 9 Greenlawn Avenue: Mr. Shields stated that the budget referendum is the Mayor's work and remarked that it is almost like a dictatorship. He inquired how newspapers will be able to publish notices of a referendum if there are not any newspapers left in the Town. He stated opposition to the budget referendum, and stated that elected officials should not be allowed to serve as voting members of a board or commission. Mr. Shields stated that public response will be limited by things such as holding Public Hearings no later than ten days following the presentation of the proposed budget, when it used to be fifteen days. He noted that the Town will be limiting the opportunity of the Townspeople to digest the budget or any other part of the Charter. He disagreed that the referendum was a mandate by the voters, and noted that candidates running for State election this past November on this platform were not successful.

John Kehl, 243 Reservoir Road: Mr. Kehl stated that in the real world, residents don't follow these types of situations. He stated that while the three-percent cap and referendum may initially sound like a great idea and may be very catchy, in reality the voters elect people to do this job and he expressed doubt that average residents will have the time and interest to go through and understand the budget. Mr. Kehl noted that when he opened his business in Town several years ago interest rates were 18-21% and inflation was 12-14% and stated that things could not have been done at that time for 2-3%. He also inquired about the cost of holding referendums and remarked that it becomes a very complex and convoluted system. He stated that the people who serve on the Council live in Town themselves, and they don't want to see their own taxes raised either. He stated that taxes should be kept low, but indicated that people need to understand reality.

Michael J. Fox, 1901 Main Street: Mr. Fox stated that he believes that each referendum will cost the Town about \$20,000, regardless of voter turnout; therefore two referendums will cost the Town \$40,000. He expressed concern of the timing of multiple referendums, and inquired whether the process could drag out to the point that the Town could be without a new budget at the start of the fiscal year.

William Reynolds, 116 Sterling Drive: Mr. Reynolds apologized for some of his comments he made at the earlier Public Hearing. He remarked that he sometimes gets emotional about this topic because he loves the Town. He noted that he has been involved in the Town as a member of the Board of Selectmen, and served as the Town's first Mayor. He also noted that he has been involved in local government and finance for over fifty years and has served as a legislator, administrator, and finance director in Connecticut and Massachusetts. He stated that he is a member of the American Bar Association, and has served as the Finance Director in Greenwich and has served as the President of the Government Finance Officers Association and has been involved with developing and administering budgets. He stated that the timing of the budget provides only a minimum amount of time for the Council and staff to do its work and remarked that he doesn't know how they will do it. He urged that the timing be looked at very carefully. Mr. Reynolds stated that the cost of the referendum must be added to this year's budget for next year's possible referendum. He stated that in regards to the education circuit breaker a half-percent of the Town's budget will not equal a half-percent of the Board of Education's budget because the Board's budget is 66% of the total budget. He stated that he had anticipated a great deal more from the Commission when it started off by inviting many experts, former Mayors and Town Managers to speak, and stated that he cannot recall a single one of those experts saying that the current Charter needed to be changed. He noted that Newington has been recognized time and time again as being one of the best communities in the State. He stated that the people elect good representatives to develop a budget that contains two things: "what we must have" and "what we'd like to have", and remarked that "what we must have" must come first. Mr. Reynolds stated that the proposed Charter language does not even reflect the non-tax income that the Town receives, and stated that this revenue impacts the mill rate. He stated that it breaks his heart because he loves this Town and has a lot invested in this Town. He noted that four of his five children have remained in the Town as adults. He stated that it is a great Town and urged the Commission not to "screw it up".

Beng-Tart Kuan, 263 New Britain Avenue: Mr. Kuan stated that he has been a Town resident since 2003 and stated that he is in favor of having a three-percent cap, especially in today's economy. He stated that tax increases of greater than three-percent will put an undue burden on families. He stated that it is not the company that it is important, it is the people that form the essence of the company that are important and remarked that the same is true for the Town. He stated concern that people and business will move out if taxes are too high and if that happens then the tax base will shrink and taxes will be pushed even higher. He asked the Council to plan tax increases of not more than three-percent and asked the Council to exercise common sense.

Sue Mazzoccoli, 149 Harris Drive: Ms. Mazzoccoli stated that she is a Democrat and stated that she is impressed with the group of speakers at this Public Hearing. She requested that the three-percent cap is explained clearly and plainly in any notices to the public.

Seeing no further members of the public wishing to speak, Commissioner Bafundo closed the meeting at 8:20pm.

Respectfully Submitted,

Mrs. Jaime Trevethan Clerk – Charter Revision Commission